

Proclamation 10406—Adjusting Imports of Steel Into the United States
May 31, 2022

By the President of the United States of America

A Proclamation

1. On January 11, 2018, the Secretary of Commerce (Secretary) transmitted to the President a report on the Secretary's investigation into the effect of imports of steel mill articles (steel articles) on the national security of the United States under section 232 of the Trade Expansion Act of 1962, as amended (19 U.S.C. 1862). The Secretary found and advised the President of his opinion that steel articles are being imported into the United States in such quantities and under such circumstances as to threaten to impair the national security of the United States.

2. In Proclamation 9705 of March 8, 2018 (Adjusting Imports of Steel Into the United States), the President concurred in the Secretary's finding that steel articles, as defined in clause 1 of Proclamation 9705, as amended by clause 8 of Proclamation 9711 of March 22, 2018 (Adjusting Imports of Steel Into the United States), are being imported into the United States in such quantities and under such circumstances as to threaten to impair the national security of the United States, and decided to adjust the imports of those steel articles by imposing a 25 percent ad valorem tariff on such articles imported from all countries except Canada and Mexico. The proclamation further stated that any country with which we have a security relationship is welcome to discuss with the United States alternative ways to address the threatened impairment to the national security caused by imports from that country, and noted that, should the United States and any such country arrive at a satisfactory alternative means to address the threat to the national security such that the President determines that imports from that country no longer threaten to impair the national security, the President may remove or modify the restriction on steel articles imports from that country and, if necessary, adjust the tariff as it applies to other countries, as the national security interests of the United States require.

3. The United States has successfully concluded discussions with the United Kingdom (UK) on satisfactory alternative means to address the threatened impairment to the national security posed by imports of steel articles and derivative steel articles from the UK. The United States and the UK have agreed to expand coordination involving trade remedies and customs matters, monitor bilateral steel and aluminum trade, cooperate on addressing non-market excess capacity and carbon intensity in these sectors, annually review their arrangement and their ongoing cooperation, and ensure that steel articles exports from the UK to the United States under the applicable tariff-rate quota for steel articles are not supported by market-distorting practices.

4. The United States will implement a number of actions, including a tariff-rate quota that restricts the quantity of steel articles and derivative steel articles imported into the United States from the UK without the application of the tariff proclaimed in Proclamation 9705. Under the arrangement, steel articles that are melted and poured in the UK and imported from either the UK or further processed in the European Union, conferring European Union country of origin, and subsequently imported into the United States from the European Union are eligible for in-quota treatment. In my judgment, these measures will provide an effective, long-term alternative means to address any contribution by UK steel articles and derivative steel articles imports to the threatened impairment to the national security by restraining steel articles and derivative steel articles imports to the United States from the UK, limiting transshipment, discouraging excess steel capacity and production, and strengthening the United States-UK partnership. In light of this agreement, I have determined that imports of specified volumes of eligible steel articles and

derivative steel articles from the UK will no longer threaten to impair the national security and have decided to exclude such imports from the UK up to a designated quota from the tariff proclaimed in Proclamation 9705. The United States will monitor the implementation and effectiveness of the tariff-rate quota and other measures agreed upon with the UK in addressing our national security needs, and I may revisit this determination, as appropriate.

5. I conclude that the UK presents a special case because of the unique nature of the special relationship that exists between the United States and the UK. The United States has a deep security relationship with the UK, including a shared commitment to mutual support in addressing national security concerns, particularly through security, defense, and intelligence partnerships; a strong economic and strategic partnership; and a shared commitment to addressing global excess capacity in steel production.

6. The alternative means, including the tariff-rate quota, advance the recommendations contained in the Secretary's January 2018 report. The agreed-upon aggregate tariff-rate quota volume specified in the agreement between the United States and the UK, totaling 500,000 metric tons, is consistent with the objective of reaching and maintaining a sufficient capacity utilization rate in the domestic steel industry and reflects the continued importance of the special relationship that exists between the United States and the UK.

7. In light of my determination to adjust the tariff proclaimed in Proclamation 9705 as applied to eligible steel articles and derivative steel articles that are melted and poured in the UK and imported from either the UK or the European Union, I have considered whether it is necessary and appropriate in light of our national security interests to make any corresponding adjustments to such tariff as it applies to other countries. I have determined that it is necessary and appropriate, at this time, to maintain the current tariff level as it applies to other countries.

8. Section 232 of the Trade Expansion Act of 1962, as amended, authorizes the President to adjust the imports of an article and its derivatives that are being imported into the United States in such quantities or under such circumstances as to threaten to impair the national security.

9. Section 604 of the Trade Act of 1974, as amended (19 U.S.C. 2483), authorizes the President to embody in the Harmonized Tariff Schedule of the United States (HTSUS) the substance of statutes affecting import treatment, and actions thereunder, including the removal, modification, continuance, or imposition of any rate of duty or other import restriction.

Now, Therefore, I, Joseph R. Biden Jr., President of the United States of America, by the authority vested in me by the Constitution and the laws of the United States of America, including section 232 of the Trade Expansion Act of 1962, as amended, section 301 of title 3, United States Code, and section 604 of the Trade Act of 1974, as amended, do hereby proclaim as follows:

(1) To establish a tariff-rate quota on imports of steel articles that are melted and poured in the UK and imported from either the UK or the European Union as set forth in paragraph 4 of this proclamation, U.S. Note 16 of subchapter III of chapter 99 of the HTSUS is amended as provided for in the Annex to this proclamation. Imports of steel articles that are melted and poured in the UK and from either the UK or the European Union in excess of the tariff-rate quota quantities shall remain subject to the duties imposed by clause 2 of Proclamation 9705, as amended. The Secretary, in consultation with the Secretary of Homeland Security and the United States Trade Representative, shall recommend to the President, as warranted, updates to the in-quota volumes contained in the Annex to this proclamation. Steel articles that are melted and poured in the UK and from either the UK or the European Union imported under an exclusion granted pursuant to clause 3 of Proclamation 9705, as amended, shall count against the in-quota volume of the tariff-rate quota established in clause 1 of this proclamation.

(2) Clause 2 of Proclamation 9705, as amended, is revised to read as follows:

"(2)(a) In order to establish certain modifications to the duty rate on imports of steel articles, subchapter III of chapter 99 of the HTSUS is modified as provided in the Annex to this proclamation and any subsequent proclamations regarding such steel articles.

(b) Except as otherwise provided in this proclamation, or in notices published pursuant to clause 3 of this proclamation, all steel articles imports covered by heading 9903.80.01, in subchapter III of chapter 99 of the HTSUS, shall be subject to an additional 25 percent ad valorem rate of duty with respect to goods entered for consumption, or withdrawn from warehouse for consumption, as follows: (i) on or after 12:01 a.m. eastern daylight time on March 23, 2018, from all countries except Argentina, Australia, Brazil, Canada, Mexico, South Korea, and the member countries of the European Union; (ii) on or after 12:01 a.m. eastern daylight time on June 1, 2018, from all countries except Argentina, Australia, Brazil, and South Korea; (iii) on or after 12:01 a.m. eastern daylight time on August 13, 2018, from all countries except Argentina, Australia, Brazil, South Korea, and Turkey; (iv) on or after 12:01 a.m. eastern daylight time on May 20, 2019, from all countries except Argentina, Australia, Brazil, South Korea, and Turkey; (v) on or after 12:01 a.m. eastern daylight time on May 21, 2019, from all countries except Argentina, Australia, Brazil, Canada, Mexico, and South Korea; (vi) on or after 12:01 a.m. eastern standard time on January 1, 2022, from all countries except Argentina, Australia, Brazil, Canada, Mexico, and South Korea, and except the member countries of the European Union through 11:59 p.m. eastern standard time on December 31, 2023, for steel articles covered by headings 9903.80.65 through 9903.81.19, inclusive; (vii) on or after 12:01 a.m. eastern daylight time on April 1, 2022, from all countries except Argentina, Australia, Brazil, Canada, Mexico, and South Korea, and except the member countries of the European Union through 11:59 p.m. eastern standard time on December 31, 2023, for steel articles covered by headings 9903.80.65 through 9903.81.19, inclusive, and from Japan, for steel articles covered by headings 9903.81.25 through 9903.81.80, inclusive; and (viii) on or after 12:01 a.m. eastern daylight time on June 1, 2022, from all countries except Argentina, Australia, Brazil, Canada, Mexico, South Korea, and Ukraine, and except the member countries of the European Union through 11:59 p.m. eastern standard time on December 31, 2023, for steel articles covered by headings 9903.80.65 through 9903.81.19, inclusive, and from Japan and the UK, for steel articles covered by subheadings 9903.81.25 through 9903.81.78 and heading 9903.81.80, and from the member countries of the European Union, for steel articles covered by heading 9903.81.81. Further, except as otherwise provided in notices published pursuant to clause 3 of this proclamation, all steel articles imports from Turkey covered by heading 9903.80.02, in subchapter III of chapter 99 of the HTSUS, shall be subject to a 50 percent ad valorem rate of duty with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern daylight time on August 13, 2018, and prior to 12:01 a.m. eastern daylight time on May 21, 2019. All steel articles imports covered by heading 9903.80.61, in subchapter III of chapter 99 of the HTSUS, shall be subject to the additional 25 percent ad valorem rate of duty established herein with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern time on the date specified in a determination by the Secretary granting relief. These rates of duty, which are in addition to any other duties, fees, exactions, and charges applicable to such imported steel articles, shall apply to imports of steel articles from each country as specified in the preceding three sentences."

(3) The first two sentences of clause 1 of Proclamation 9980 of January 24, 2020 (Adjusting Imports of Derivative Aluminum Articles and Derivative Steel Articles Into the United States), are revised to read as follows:

"In order to establish increases in the duty rate on imports of certain derivative articles, subchapter III of chapter 99 of the HTSUS is modified as provided in Annex I and Annex II to this proclamation. Except as otherwise provided in this proclamation, all imports of derivative aluminum articles specified in Annex I to this proclamation shall be subject to an additional 10 percent ad valorem rate of duty, and all imports of derivative steel articles specified in Annex II to this proclamation shall be subject to an additional 25 percent ad valorem rate of duty, with respect to goods entered for consumption, or withdrawn from warehouse for consumption, as follows: (i) on or after 12:01 a.m. eastern standard time on February 8, 2020, these rates of duty, which are in addition to any other duties, fees, exactions, and charges applicable to such imported derivative aluminum articles or steel articles, shall apply to imports of derivative aluminum articles described in Annex I to this proclamation from all countries except Argentina, the Commonwealth of Australia (Australia), Canada, and the United Mexican States (Mexico) and to imports of derivative steel articles described in Annex II to this proclamation from all countries except Argentina, Australia, Brazil, Canada, Mexico, and South Korea; (ii) on or after 12:01 a.m. eastern standard time on January 1, 2022, these rates of duty, which are in addition to any other duties, fees, exactions, and charges applicable to such imported derivative aluminum articles or steel articles, shall apply to imports of derivative aluminum articles described in Annex I to this proclamation from all countries except Argentina, Australia, Canada, the member countries of the European Union, and Mexico and to imports of derivative steel articles described in Annex II to this proclamation from all countries except Argentina, Australia, Brazil, Canada, the member countries of the European Union, Mexico, and South Korea; (iii) on or after 12:01 a.m. eastern daylight time on April 1, 2022, these rates of duty, which are in addition to any other duties, fees, exactions, and charges applicable to such imported derivative aluminum articles or steel articles, shall apply to imports of derivative aluminum articles described in Annex I to this proclamation from all countries except Argentina, Australia, Canada, the member countries of the European Union, and Mexico and to imports of derivative steel articles described in Annex II to this proclamation from all countries except Argentina, Australia, Brazil, Canada, the member countries of the European Union, Japan, Mexico, and South Korea; (iv) on or after 12:01 a.m. eastern daylight time on June 1, 2022, these rates of duty, which are in addition to any other duties, fees, exactions, and charges applicable to such imported derivative aluminum articles or steel articles, shall apply to imports of derivative aluminum articles described in Annex I to this proclamation from all countries except Argentina, Australia, Canada, the member countries of the European Union, and Mexico, and to imports of derivative steel articles described in Annex II to this proclamation from all countries except Argentina, Australia, Brazil, Canada, the member countries of the European Union, Japan, Mexico, and South Korea, and except from Ukraine through 11:59 p.m. eastern daylight time on June 1, 2023; and (v) on or after 12:01 a.m. eastern daylight time on June 1, 2022, these rates of duty, which are in addition to any other duties, fees, exactions, and charges applicable to such imported derivative aluminum articles or steel articles, shall apply to imports of derivative aluminum articles described in Annex I to this proclamation from all countries except Argentina, Australia, Canada, the member countries of the European Union, Mexico, and the UK, and to imports of derivative steel articles described in Annex II to this proclamation from all countries except Argentina, Australia, Brazil, Canada, the

member countries of the European Union, Japan, Mexico, South Korea, and the UK, and except from Ukraine through 11:59 p.m. eastern daylight time on June 1, 2023."

(4) Steel articles eligible for treatment under clause 1 of this proclamation must be melted and poured in the UK in order to receive such treatment. Steel articles melted and poured in the UK that are further processed in a member country of the European Union, conferring country of origin in a member country of the European Union, and subsequently imported into the United States is also eligible for treatment under clause 1 of this proclamation as set forth in the Annex to this proclamation. The Secretary, in consultation with the Secretary of Homeland Security and the United States Trade Representative, is authorized to take such actions as are necessary to ensure compliance with this requirement. Failure to comply could result in applicable remedies such as the collection of the tariff set forth in clause 2 of Proclamation 9705, or penalties under United States law.

(5) In the case of any known UK steel producer that is owned or controlled by a company registered in the People's Republic of China or a Chinese entity, and which exports steel to the United States under the applicable tariff-rate quota, the UK agreed to provide an attestation to the United States annually, based on an annual strategic audit conducted by an independent third party, to the effect that there is no evidence of market-distorting practices by that producer in the UK that would materially contribute to non-market excess capacity of steel. If the attestation is not provided annually as set out in the Annex to this proclamation, the Secretary may temporarily deny access for any UK steel producer to the in-quota rate for the applicable tariff-rate quota. The Secretary, in consultation with the Secretary of Homeland Security and the United States Trade Representative, is authorized to take such actions as are necessary to ensure compliance with the actions regarding attestations set forth in the Annex to this proclamation. If an attestation is not provided as set forth in the Annex to this proclamation, it could result in collection of the tariff set forth in clause 2 of Proclamation 9705.

(6) The modifications to the HTSUS made by clause 1 of this proclamation shall be effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern daylight time on June 1, 2022, and shall continue in effect, unless such actions are expressly reduced, modified, or terminated.

(7) Any imports of steel articles from the UK and steel articles that are melted and poured in the UK that are further processed in a member country of the European Union, conferring country of origin in a member country of the European Union, that were admitted into a U.S. foreign trade zone under "privileged foreign status" as defined in 19 CFR 146.41, prior to 12:01 a.m. eastern daylight time on June 1, 2022, shall be subject upon entry for consumption made on or after 12:01 a.m. eastern daylight time on June 1, 2022, to the provisions of the tariff-rate quota in effect at the time of the entry for consumption.

(8) Any provision of previous proclamations and Executive Orders that is inconsistent with the actions taken in this proclamation is superseded to the extent of such inconsistency.

In Witness Whereof, I have hereunto set my hand this thirty-first day of May, in the year of our Lord two thousand twenty-two, and of the Independence of the United States of America the two hundred and forty-sixth.

JOSEPH R. BIDEN, JR.

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NOTE: This proclamation and its attached annex were published in the *Federal Register* on June 3.

Categories: Proclamations : U.S. steel imports, adjustments to tariff structure.

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